

House Study Bill 86 - Introduced

SENATE/HOUSE FILE _____
BY (PROPOSED DEPARTMENT OF
ADMINISTRATIVE SERVICES
BILL)

A BILL FOR

1 An Act relating to public employee human resources management
2 and making an appropriation.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 DIVISION I

2 SPAN OF CONTROL

3 Section 1. Section 8A.402, subsection 2, paragraph g, Code
4 2013, is amended by striking the paragraph.

5 DIVISION II

6 PHASED RETIREMENT PROGRAM

7 Sec. 2. Section 70A.30, Code 2013, is amended to read as
8 follows:

9 70A.30 Establishment of phased retirement program.

10 1. There is established The department of administrative
11 services may establish a voluntary employee phased retirement
12 incentive program for full-time state employees ~~who are at~~
13 ~~least sixty years of age and have completed at least twenty~~
14 ~~years as full-time state employees.~~

15 2. The A phased retirement incentive program established
16 by the department of administrative services is a retirement
17 system for purposes of section 20.9, but is not retirement
18 for purposes of chapter 97A, 97B, or 602 or for the
19 employees who are members of the teachers insurance annuity
20 association-college retirement equities fund (TIAA-CREF).

21 Sec. 3. REPEAL. Sections 70A.31, 70A.32, 70A.33, and
22 70A.34, Code 2013, are repealed.

23 Sec. 4. PHASED RETIREMENT PROGRAM — TRANSITION PROVISIONS
24 — STANDING APPROPRIATION.

25 1. State employees who are participating in the phased
26 retirement program established by sections 70A.30 through
27 70A.34, Code 2013, as of the effective date of this Act shall
28 remain in the program and be eligible for the benefits of the
29 program as provided prior to the effective date of this Act.

30 2. For state employees who became participants in the phased
31 retirement program prior to the effective date of this Act, the
32 department of administrative services shall, annually after
33 June 30 of each fiscal year, determine the cost during the
34 preceding fiscal year to the Iowa public employees' retirement
35 fund of continued participation of such state employees in

1 the phased retirement program as authorized by this section.
2 Annually, there is appropriated from the fund from which
3 the participating employees are paid to the Iowa public
4 employees' retirement fund an amount sufficient to reimburse
5 the retirement fund for the costs of the phased retirement
6 program for those state employees who became participants in
7 the program prior to the effective date of this Act.

8 DIVISION III

9 HEALTH CARE AND INSURANCE RELATED PROVISIONS

10 Sec. 5. Section 8A.437, subsection 1, Code 2013, is amended
11 to read as follows:

12 1. The director shall establish for state employees a health
13 flexible spending account plan which offers multiple benefits
14 to state employees. The state's health flexible spending
15 account plan shall be established to meet the conditions of
16 section 125 of the Internal Revenue Code ~~of 1986~~, as defined
17 in section 422.3.

18 Sec. 6. Section 509A.4, Code 2013, is amended to read as
19 follows:

20 **509A.4 Participation optional.**

21 Participation in any such plan shall be optional, with all
22 employees and their dependents eligible ~~to~~ for the benefits
23 ~~thereof of the plan~~ as provided by the rules adopted by the
24 governing body pursuant thereto. Election to participate
25 ~~therein in the plan~~ shall be ~~in writing signed~~ submitted by the
26 employee and filed with the governing body.

27 Sec. 7. REPEAL. Sections 70A.17 and 509A.13B, Code 2013,
28 are repealed.

29 DIVISION IV

30 HUMAN RESOURCE MANAGEMENT

31 Sec. 8. Section 8A.402, subsection 1, Code 2013, is amended
32 by adding the following new paragraph:

33 NEW PARAGRAPH. *i.* The development and implementation of
34 a plan to centralize the human resource management functions
35 for state executive branch agencies within the department,

1 except for institutions under the control of the state board
2 of regents.

3 Sec. 9. DEPARTMENT OF ADMINISTRATIVE SERVICES —
4 CENTRALIZED HUMAN RESOURCE MANAGEMENT.

5 1. The director of the department of administrative
6 services shall develop and implement a plan to centralize
7 the human resource management functions for executive branch
8 agencies under the department of administrative services,
9 except for institutions under the control of the state board of
10 regents, by December 15, 2015.

11 2. The centralized human resource management plan shall do
12 all of the following:

13 a. Identify the human resource duties and processes being
14 utilized by each agency.

15 b. Identify the positions being utilized by the agencies to
16 perform the human resource duties.

17 c. Establish best practices for a consolidated human
18 resources model and identify the estimated cost savings that
19 will result from implementation of the plan.

20 d. Detail and implement an organizational structure to
21 support a fully consolidated human resources model.

22 e. Identify space, technology, and equipment needs, and
23 acquire and implement such tools and resources in support of
24 the consolidated human resources model. Such efforts shall be
25 done in collaboration with the state chief information officer
26 and the general services, state accounting, and information
27 technology enterprises of the department of administrative
28 services.

29 f. Establish a comprehensive budget to be used and establish
30 the utility rate to be charged each agency as a result of the
31 consolidation.

32 g. Establish detailed timelines for transition and
33 communicate the timelines to the agencies.

34 3. State executive branch agencies, except for institutions
35 under the control of the state board of regents, shall do all

1 of the following:

2 a. Provide the department of administrative services with
3 all of the following information:

4 (1) Information regarding the human resource duties and
5 responsibilities being performed by agency staff.

6 (2) The direct and indirect costs associated with agency
7 staff performing human resource duties.

8 (3) Information about the human resource information and
9 records storage systems being used to perform human resource
10 work.

11 b. Adjust internal staffing as required in the centralized
12 human resource management plan developed by the department of
13 administrative services.

14 c. Agencies outside of the department of administrative
15 services shall not hire or replace any staff for the
16 purposes of conducting human resource work. The department
17 of administrative services shall partner with agencies
18 to transition and consolidate work in the human resource
19 enterprise of the department of administrative services.

20 d. Transition to the human resources and payroll systems
21 selected and operated by the department of administrative
22 services pursuant to timelines identified by the department of
23 administrative services.

24 e. Adhere to all objectives and timelines required in the
25 centralized human resource management plan developed by the
26 department of administrative services.

27 EXPLANATION

28 This bill concerns public employee human resource
29 management, generally administered by the department of
30 administrative services.

31 Division I of the bill strikes the requirements in Code
32 section 8A.402 relating to the span of control of supervisory
33 employees in the executive branch. The provision struck by the
34 bill prescribed certain employee ratios of nonsupervisors to
35 supervisors within executive branch agencies.

1 Division II of the bill repeals the phased retirement
2 program for state employees. Code section 70A.30 is amended to
3 authorize, but not require, the department of administrative
4 services to establish a phased retirement program. A
5 transition provision allows those state employees currently
6 participating in the phased retirement program repealed by
7 the bill to continue participation in the program after the
8 effective date of the bill. The bill provides for continuation
9 of a standing appropriation to the Iowa public employees'
10 retirement fund for such continued participation.

11 Division III of the bill deals with various health care and
12 insurance related provisions involving state employees.

13 Code section 70A.17, providing for a payroll deduction for
14 additional insurance coverage by state employees, is repealed.

15 Code section 509A.13B, requiring certain public employers
16 to continue health care coverage for certain children of
17 employees, is repealed. The bill amends Code section 509A.4,
18 providing for optional participation in health care coverage
19 provided by public employers to employees, to extend such
20 coverage to dependents of those employees.

21 Division IV of the bill concerns human resource management
22 for state executive branch agencies. The bill requires the
23 department of administrative services to centralize the human
24 resource management functions for executive branch agencies
25 under the department of administrative services, except for
26 institutions under the control of the state board of regents,
27 by December 15, 2015. The bill amends Code section 8A.402(1)
28 by requiring that the department develop and implement the
29 plan. The bill provides the elements that must be included in
30 the centralized human resource management plan and describes
31 what applicable state executive branch agencies must do
32 relative to developing and implementing the centralized plan.